

**HUMAN SERVICES DEPARTMENT[441]**

**Adopted and Filed**

**Rule making related to child care assistance**

The Human Services Department hereby amends Chapter 170, “Child Care Services,” Iowa Administrative Code.

*Legal Authority for Rule Making*

This rule making is adopted under the authority provided in Iowa Code section 234.6.

*State or Federal Law Implemented*

This rule making implements, in whole or in part, Iowa Code section 234.6 and 2018 Iowa Acts, Senate File 2418.

*Purpose and Summary*

These amendments update the Child Care Assistance (CCA) half-day rate ceilings in accordance with 2018 Iowa Acts, Senate File 2418. Providers and families will be affected by these changes. The amendments allow providers to be paid more for the care they provide to CCA-eligible families. Families will have more and better-quality choices of CCA providers.

*Public Comment and Changes to Rule Making*

Notice of Intended Action for this rule making was published in the Iowa Administrative Bulletin on August 29, 2018, as **ARC 3969C**. The Department received no comments from the public during the public comment period; however, the Department did receive comments based on an internal review of the rule making. The internal comments detailing the necessary changes are as follows:

**Comment 1:** Within paragraph 170.4(3)“g,” the form that was initially identified for inclusion in the rule was determined to be incorrect. The proposed revision to paragraph “g” indicated that the form would be used for both abuse and criminal record checks. The form proposed was only appropriate for release of information regarding child abuse or dependent adult abuse, but not criminal checks. The paragraph needs to reflect that there are potentially two forms that may be required for the purpose of providing a release of information for conducting necessary background checks.

As a result of Comment 1, the introductory paragraph of 170.4(3)“g” has been further amended to read as follows:

“g. *Iowa records checks for in-home care.* If a person who provides in-home care applies to receive public funds as reimbursement for providing child care for eligible clients, the provider shall complete and submit the required authorization form(s) to the department. The department shall use the form(s) to conduct Iowa criminal history record and child abuse record checks.”

**Comment 2:** Within paragraph 170.4(7)“a,” the sentence referring to the new tables needs to be modified to ensure appropriate reference to the correct rates based on provider type and age group.

As a result of Comment 2, the introductory paragraph of 170.4(7)“a” has been further amended to read as follows:

“a. *Rate of payment.* The rate of payment for child care services, except for in-home care which shall be paid in accordance with 170.4(7)“d,” shall be the actual rate charged by the provider for a private individual, not to exceed the maximum rates shown below. When a provider does not have a half-day rate in effect, a rate is established by dividing the provider’s declared full-day rate by 2. When a provider has neither a half-day nor a full-day rate, a rate is established by multiplying the provider’s declared hourly rate by 4.5. Payment shall not exceed the rate applicable to the provider type and age group as shown in the tables below. To be eligible for the special needs rate, the provider must submit documentation to

the child's service worker that the child needing services has been assessed by a qualified professional and meets the definition for 'child with special needs,' and a description of the child's special needs, including, but not limited to, adaptive equipment, more careful supervision, or special staff training."

#### *Adoption of Rule Making*

This rule making was adopted by the Council on Human Services on October 10, 2018.

#### *Fiscal Impact*

This rule making has a fiscal impact to the State of Iowa of \$100,000 annually or \$500,000 over five years. The rate increases will result in higher payments to child care providers for the services they provide to CCA-eligible families.

#### *Jobs Impact*

After analysis and review of this rule making, no impact on jobs has been found.

#### *Waivers*

This amendment does not provide a specific waiver authority because families may request a waiver of these provisions in a specified situation under the Department's general rule on exceptions at rule 441—1.8(17A,217).

#### *Review by Administrative Rules Review Committee*

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

#### *Effective Date*

This rule making will become effective on January 1, 2019.

The following rule-making actions are adopted:

ITEM 1. Amend paragraph **170.4(3)"g"** as follows:

*g. Iowa records checks for in-home care.* If a person who provides in-home care applies to receive public funds as reimbursement for providing child care for eligible clients, the provider shall complete and submit the required authorization form(s) to the department ~~Form 470-5143, Iowa Department of Human Services Record Check Authorization Form~~. The department shall use ~~this form~~ the form(s) to conduct Iowa criminal history record and child abuse record checks.

(1) to (3) No change.

ITEM 2. Amend paragraph **170.4(7)"a"** as follows:

*a. Rate of payment.* The rate of payment for child care services, except for in-home care which shall be paid in accordance with 170.4(7)"d," shall be the actual rate charged by the provider for a private individual, not to exceed the maximum rates shown below. When a provider does not have a half-day rate in effect, a rate is established by dividing the provider's declared full-day rate by 2. When a provider has neither a half-day nor a full-day rate, a rate is established by multiplying the provider's declared hourly rate by 4.5. Payment shall not exceed the rate applicable to the provider type and age group in Table I, ~~except for special needs care which shall not exceed the rate applicable to the provider and age group in Table II~~ as shown in the tables below. To be eligible for the special needs rate, the provider must submit documentation to the child's service worker that the child needing services has been assessed by a qualified professional and meets the definition for "child with special needs," and a

description of the child's special needs, including, but not limited to, adaptive equipment, more careful supervision, or special staff training.

Table I Half-Day Rate Ceilings for Basic Care							
Age Group	Child Care Center		Child Development Home Category A or B		Child Development Home Category C		Nonregistered Family Home
	Basic	QRS 5	Basic	QRS 5	Basic	QRS 5	
Infant and Toddler	\$16.78	\$20.50	\$12.98	\$13.75	\$12.44	\$15.00	\$8.19
Preschool	\$13.53	\$17.50	\$12.18	\$13.50	\$12.18	\$13.75	\$7.19
School Age	\$12.18	\$14.75	\$10.82	\$12.50	\$10.82	\$13.00	\$7.36

Table 1 Half-Day Rate Ceilings for (Licensed Center)								
	No QRS		QRS 1 or 2		QRS 3 or 4		QRS 5	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$17.00	\$51.94	\$19.75	\$51.94	\$20.50	\$51.94	\$21.90	\$51.94
Preschool	\$14.75	\$30.43	\$15.50	\$30.43	\$16.40	\$30.43	\$18.69	\$30.43
School Age	\$12.18	\$30.34	\$12.50	\$30.34	\$13.50	\$30.34	\$15.00	\$30.34

Table II Half-Day Rate Ceilings for Special Needs Care				
Age Group	Child Care Center	Child Development Home Category A or B	Child Development Home Category C	Nonregistered Family Home
Infant and Toddler	\$51.94	\$17.05	\$13.40	\$10.24
Preschool	\$30.43	\$15.83	\$13.40	\$ 8.99
School Age	\$30.34	\$14.61	\$12.18	\$ 9.20

Table 2 Half-Day Rate Ceilings for (Child Development Home A/B)								
	No QRS		QRS 1 or 2		QRS 3 or 4		QRS 5	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$12.98	\$19.47	\$13.50	\$20.25	\$13.75	\$20.63	\$14.00	\$21.00
Preschool	\$12.50	\$18.75	\$12.75	\$19.13	\$13.00	\$19.50	\$13.75	\$20.63
School Age	\$10.82	\$16.23	\$11.25	\$16.88	\$12.00	\$18.00	\$12.50	\$18.75

<b>Table 3</b> <b>Half-Day Rate Ceilings for (Child Development Home C)</b>								
	No QRS		QRS 1 or 2		QRS 3 or 4		QRS 5	
Age Group	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs	Basic	Special Needs
Infant and Toddler	\$13.00	\$19.50	\$14.00	\$21.00	\$14.50	\$21.75	\$15.00	\$22.50
Preschool	\$12.50	\$18.75	\$13.00	\$19.50	\$13.50	\$20.25	\$15.00	\$22.50
School Age	\$11.25	\$16.88	\$12.00	\$18.00	\$12.50	\$18.75	\$14.00	\$21.00

<b>Table 4</b> <b>Half-Day Rate Ceilings for Child Care Home (Not Registered)</b>		
Age Group	Basic	Special Needs
Infant and Toddler	\$8.19	\$12.29
Preschool	\$7.19	\$10.79
School Age	\$7.36	\$11.04

The following definitions apply in the use of the rate tables:

(1) “Child care Licensed center” shall mean those providers as defined in 170.4(3) “a.” “Registered child development home A/B” or “child development home C” shall mean those providers as defined in 170.4(3) “b.” “Nonregistered family child care home (not registered)” shall mean those providers as defined in 441—Chapter 120.

(2) Under age group, “infant and toddler” shall mean age two weeks to two years; “preschool” shall mean two years to school age; “school age” shall mean a child in attendance in full-day or half-day classes.

(3) “QRS 5” shall mean a provider who has achieved a rating of Level 5 under the quality rating system. “No QRS” shall mean a provider who is not participating in the quality rating system.

(4) A provider who is rated under the quality rating system shall be paid according to the corresponding QRS payment level in the tables above only during the period the rating is valid as defined in 441—Chapter 118. If the provider’s QRS rating expires, the provider shall be paid according to the “No QRS” payment level.

(5) For a provider rated “QRS 1” through “QRS 4,” if the rating period expires before a new QRS level is approved, the provider will be paid according to the “No QRS” payment level until the new QRS level is approved.

(6) For a provider rated “QRS 5,” if a renewal application is received before the current rating period expires, the provider will continue to be paid according to the “QRS 5” payment level until a decision is made on the provider’s application.

(7) “QRS 1 or 2” shall mean a provider who has achieved a rating of Level 1 or Level 2 under the quality rating system.

(8) “QRS 3 or 4” shall mean a provider who has achieved a rating of Level 3 or Level 4 under the quality rating system.

(9) “QRS 5” shall mean a provider who has achieved a rating of Level 5 under the quality rating system.

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EDITOR’S NOTE: For replacement pages for IAC, see IAC Supplement 11/7/18.